



**JAMESTOWN S'KLALLAM TRIBE**

**TRIBAL - STATE COMPACT  
FOR CLASS III GAMING**

*Between the*

**Jamestown S'Klallam Tribe**

*and the*

**State of Washington**

## TABLE OF CONTENTS

### JAMESTOWN S'KLALLAM TRIBE - STATE OF WASHINGTON CLASS III GAMING COMPACT

<u>Section</u>	<u>Subject Matter</u>	<u>Page</u>
	Introduction	1
	Parties	1
	Recitals	1
	Declaration of Policy and Purpose	6
I	Title	9
II	Definitions	9
III	Nature and Scope of Class III Gaming	11
	A Location of the Gaming Facility	11
	B Conditions	12
	C Additional Provisions	13
	1 Ownership and Control	13
	2 Construction	13
	3 Operations	14
	(a) Public Health, Safety, and Environmental Protection	14
	(b) Community Contribution	15
	(c) Forms of Payment	17
	(d) Size of Gaming Floor	17
	(e) Number of Gaming Stations	17
	(f) Wagering Limitations	18
	(g) Hours of Operation	18
	(h) Prohibited Activities	19
	(i) Prohibition on Minors	19
	(j) Prohibition on Firearms	19
IV	Class III Gaming	20
	A Authorized Class III Games	20
	B Other Class III Table Games	20
	C Lottery-Type Games	21
	D Punchboards and Pull Tabs -Separate Locations	21
	E Additional Class III Games	22

<b>V</b>	<b>Licensing and Certification Requirements</b>	<b>23</b>
A	Gaming Facilities	23
B	Gaming Employees	23
C	Manufacturers and Suppliers of Gaming Services and Management Entities	24
D	Financiers	24
<b>VI</b>	<b>Licensing and Certification Procedures</b>	<b>25</b>
A	Procedures for Tribal License Applications	25
B	State Certification & Background Investigation	25
C	Temporary Certification	27
D	Provisional/Conditional Certification of Tribal Members	27
E	Grounds for Revocation, Suspension or Denial of State Certification	28
F	Fees for State Certification	29
G	Fees for Tribal License	30
H	Denial, Suspension, or Revocation of Licenses Issued By Tribal Gaming Agency	30
I	Duration and Renewal of Tribal Licenses and State Certifications	30
J	Summary Suspension of Tribal License or State Certification	31
K	Identification Cards	31
L	Exchange of Tribal Licensing and State Certification Information	31
<b>VII</b>	<b>Tribal Enforcement of Compact Requirements</b>	<b>32</b>
A	Tribal Gaming Agency	32
B	Tribal Gaming Agents	32
C	Reporting of Violations	33
D	Investigations and Sanctions	33

	E	Reporting to State Gaming Agency	34
	F	Tribal Problem-Gambling Program	34
<b>VIII</b>		<b>State Enforcement of Compact Requirements</b>	<b>34</b>
	A	State Gaming Agents -- Monitoring	34
	B	Enforcement Actions by State Gaming Agency	35
	C	Access to Records	36
	D	Investigations and Tribal Gaming Agency Notification	36
	E	State Gaming Agency Activities	37
	F	Quarterly Meetings	37
	G	Penalties Against the Tribal Gaming Operation	37
<b>IX</b>		<b>Standards of Operation &amp; Management</b>	<b>39</b>
	A	Adoption of Standards of Operation and Management	39
	B	Additional Standards Applicable To Class III Gaming	40
<b>X</b>		<b>Jurisdiction</b>	<b>43</b>
	A	Criminal Matters	43
		1 Investigative Authority	43
		2 Venue	43
	B	Civil Matters	44
		1 Concurrent Jurisdiction	44
		2 Tribal Jurisdiction	44
	C	Limited Application of State Law	44
	D	Preservation of Tribal Self-Government	45
<b>XI</b>		<b>Reimbursement for Expenses Incurred By The State Gaming Agency</b>	<b>45</b>
<b>XII</b>		<b>Dispute Resolution</b>	<b>46</b>
	A	Tribal and State Gaming Agency Procedure	46
	B	Arbitration	47
	C	Remedy Not Intended to Be Exclusive	48

<b>XIII</b>	<b>Remedies</b>	<b>48</b>
A	Injunction Against the State	48
B	Injunction Against the Tribe, the Tribal Gaming Operation, or Any Individual	49
<b>XIV</b>	<b>Limitation of Liability</b>	<b>49</b>
<b>XV</b>	<b>Effective Date and Duration; Amendments</b>	<b>50</b>
A	Effective Date	50
B	Termination	50
C	Amendment and Modification	50
D	Subsequent Negotiations	50
E	Class II Gaming	51
F	Enactment of Compact Provisions	52
G	Revision of State Regulations	52
H	Change of State Law	52
I	Amendments/Renegotiations	53
	1 Compact Clarification and Modification	53
	2 Amendments - Contractual	53
	(a) Amendments & Renegotiation: Moratorium	53
	(b) Renegotiation - State	55
	(c) Renegotiation - State and Tribe	55
	(d) State Authorization of Additional Class III Gaming Activities	56
	(e) Process and Negotiation Standards	56
<b>XVI</b>	<b>Notices</b>	<b>57</b>
<b>XVII</b>	<b>Severability</b>	<b>58</b>
	<b>Signatures</b>	<b>58</b>

## APPENDIX A

### JAMESTOWN S'KLALLAM TRIBE - STATE OF WASHINGTON CLASS III GAMING COMPACT

#### STANDARDS OF OPERATION AND MANAGEMENT FOR CLASS III ACTIVITIES

<u>Section</u>	<u>Subject Matter</u>	<u>Page</u>
1	Definitions	A-1
2	Accounting Records	A-3
3	System of Internal Control	A-3
4	Forms, Records, Documents and Retention	A-4
5	Annual Audit and Other Reports	A-4
6	Closed Circuit Television System	A-6
7	Organization of the Tribal Operation	A-7
8	Personnel Assigned to the Operation and Conduct of Class III Gaming Activities	A-10
9	Cashier's Cage	A-11
10	Accounting Controls Within the Cashier's Cage	A-12
11	Drop Boxes	A-13
12	Drop Boxes, Transportation To and From Gaming Stations and Storage in the Count Room	A-14
13	Procedure For Exchange of Checks Submitted by Gaming Patrons	A-14
14	Procedure For Depositing Checks Received From Gaming Patrons	A-16
15	Procedure For Collecting and Recording Checks Returned to the Gaming Operation After Deposit	A-16
16	Procedure For Accepting Cash at Gaming Stations	A-17
17	Acceptance of Gratuities From Patrons	A-17

18		Adoption of Rules For Class III Activities	A-17
19		Station Inventories and Procedure For Opening Stations For Gaming	A-19
20		Procedure For Distributing Gaming Chips and Coins to Gaming Stations	A-20
21		Procedure For Removing Gaming Chips and Coins From Gaming Stations	A-23
22	A	Procedure For Shift Changes at Gaming Stations	A-26
	B	Procedure For Closing Gaming Stations	A-27
23		Count Room: Characteristics	A-28
24		Procedure For Counting and Recording Contents of Drop Boxes	A-29
25		Signatures	A-32

APPENDIX B

JAMESTOWN S'KLALLAM TRIBE - STATE OF WASHINGTON  
CLASS III GAMING COMPACT

FEES FOR STATE CERTIFICATION

<u>Subject Matter</u>	<u>Page</u>
Fees for State Certification	B-1



## INTRODUCTION

This CLASS III TRIBAL-STATE GAMING COMPACT is entered into pursuant to the Indian Gaming Regulatory Act of 1988, P.L. 100-497, codified at 25 USC §§2701-2721 and 18 USC §§1166-1168 (hereafter IGRA or Act), which provides in part for a tribal-state compact to be negotiated between an Indian Tribe and a state to govern the conduct of certain gaming activities which constitute Class III gaming for purposes of the Act.

## PARTIES

This Tribal-State Compact is made and entered into by and between the Jamestown S'Klallam Tribe (hereafter Tribe), a federally recognized Indian tribe, possessed of all sovereign powers and rights thereto pertaining; and the State of Washington (hereafter State), a sovereign state of the United States, with all rights and powers thereto pertaining.

## RECITALS

An understanding of the unique nature and characteristics of the Jamestown S'Klallam Tribe and its people as well as the location of the Jamestown Tribal Lands provided the background against which the Tribe and the State negotiated this Compact to govern the conduct of Class III gaming on the Jamestown S'Klallam Reservation.

A. The Jamestown S'Klallam Tribe has a unique history that is reflected in its current outlook, successes and approach to new opportunities. The Tribe's history is permeated with the theme of self-determination and self-reliance. In the late 1800's the Tribal Community resisted pressure from the federal government to move to the

Lower Elwha or the Skokomish Reservation. To preserve their cultural and community independence they raised \$500 and, as a community, purchased 500 acres of land on Dungeness Bay, in an area now known as Jamestown. The intense belief in self-determination has directed the decisions and actions of the community and the Tribal government. Over the intervening decades the Tribe's reluctance to recognize and submit to federal directives, evidenced by their refusal to move to an existing reservation, meant that they lost most of their access to federal services.

B. The Tribe obtained federal recognition in 1981, resulting in the recognition of the Tribe's Treaty rights and the authority to operate and negotiate as a sovereign in government to government settings. During the recognition process, the Tribal community worked to crystalize the goals and visions for their government and community. The outcome of this process was the development of a clear strategic plan and documentation of the community's goals.

C. The Jamestown S'Klallam Tribe confronts a unique situation regarding land acquisition. When the Tribe received federal recognition a reservation was not established for the Tribe and its members. All land owned by the Tribe has been purchased by the Tribe since 1983. When the Tribe was recognized in 1981, the Federal Government also recognized the need for the Tribe to have a process for identifying and acquiring land, and having it declared as reservation land. Without an existing land base or reservation, a suitable method for land conversion was necessary.

D. Through a five year process involving agency, area and central offices of the BIA and the Department of the Interior, input from

local governments and other Indian Tribes, the Portland Area Director approved the land consolidation plan, under authority delegated to him by the Secretary of the Interior. The Jamestown S'Klallam Tribe is the only Tribe in Washington State authorized to identify land sites to be converted into reservation status under the terms of a land consolidation plan. This plan identified areas of cultural, historical, environmental and economic development interest. The consolidation plan area extends roughly from Port Angeles to Sequim Bay, to Port Townsend and to Brinnon.

E. The Jamestown Reservation now consists of approximately nine usable acres. The Reservation is located in the northwestern part of Washington State, on the Olympic Peninsula, approximately seven miles east of the city of Sequim and some distance from the State's major population centers.

F. Approximately 250 Indian people are members of the Jamestown S'Klallam Tribe, with the majority living between Port Angeles and Port Gamble. From information in the 1990 Census and other public information sources, a private analyst has calculated that the Tribe provides services to 641 Native Americans.

G. The market area for the gaming operation will be Clallam and Jefferson Counties, with approximately 25% of the potential patrons expected to be tourists. The Class III gaming facility will be developed in conjunction with a Bingo enterprise on trust land at Blyn, adjacent to the site of the current Tribal fireworks stand and close to the Tribal administration offices. The Tribe does not consider this site a suitable long term site. Due to the extremely limited land available currently in trust or Reservation status, and

the Tribe's desire to instigate a Class III gaming operation in the immediate future, this site represents the only land upon which the Jamestown S'Klallam Tribe can develop a Class III gaming facility at this time. In the future, the Tribe expects to purchase a more suitable site within the Tribal Land Consolidation Area, endeavor to get such purchased land into Reservation status, and obtain the necessary approvals to subsequently relocate the initial Class III facility to the new location. The Tribe also envisions that this subsequent facility could be part of a destination resort within the Tribal Land Consolidation Area. The Tribe acknowledges that, under the provisions of IGRA, certain approvals would be required in siting a Class III gaming facility on land not in trust status on October 17, 1988. Further, the approval of this Compact should not be construed to imply any approval of the current or any subsequent Governor of the State for use of any property acquired after the above date for gaming purposes.

H. Any gaming associated with a proposed resort is anticipated to undergo seasonal variations. Seventy percent of the tourists who visit the Olympic Peninsula do so in the five-month period between the beginning of May and the end of September. The Tribe must establish a destination resort orientation during the peak season and provide an entertainment package for families for long term operation of the facility. In order to carry the enterprise through the off-season, a flexible schedule of operating hours is included in this Compact to assist the Tribe in scheduling hours of operation for a successful operation.

I. The Jamestown S'Klallam Tribe does not currently operate a law

enforcement agency, but plans to work with the governmental agencies currently responsible for law enforcement and fire protection on tribal lands in order to ensure the safety of patrons and employees at the Tribe's gaming facilities. The Jamestown S'Klallam Tribe is a member of the Northwest Intertribal Court System.

J. The Jamestown S'Klallam Tribe is a leader nationally in the area of tribal self-governance and was one of seven Tribes nationally to cross the threshold towards implementing the Tribal Self-Governance Demonstration Project for Fiscal Year 1991. After two years of planning and research, the Tribe, under the leadership of Tribal Chairman Ron Allen, negotiated the "Compact of Self-Governance Between the Jamestown S'Klallam Tribe and the United States of America" and the "Annual Funding Agreement for Fiscal Year 1991". The Tribe recently completed negotiations for the third year of funding for the Self-Governance Project.

K. The 1990 Chelan Agreement was developed as a cooperative response to the history of water conflict in Washington State. This agreement established the Water Resources Forum composed of groups with major interests in water resources including state, local and Tribal governments, agriculturalists, commercial enterprises, environmentalists, recreational interests and fishermen. This Forum, together with the Washington State Department of Ecology, selected two watersheds as pilot planning projects. The Dungeness watershed proposed by the Jamestown S'Klallam Tribe was incorporated with the Quilcene watershed and became one of the two projects selected. Because of its outstanding commitment to safeguarding and harboring natural resources, as well as demonstrated skills in governmental

expertise, the Jamestown S'Klallam Tribe was selected as the lead entity to coordinate the project scoping for the Dungeness - Quilcene Water Resource Pilot Project.

#### **DECLARATION OF POLICY AND PURPOSE**

The IGRA provides for the negotiation of compacts between States and Indian tribes to govern the conduct of Class III gaming. In enacting the IGRA, Congress found that Indian tribes have the right to regulate gaming activities on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a state which does not, as a matter of criminal law and public policy, prohibit such gaming activity. The overarching policy of the Act is to provide a framework for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency and strong tribal governments, while providing a basis for the regulation of gaming to shield the activities from organized crime and other corrupting influences, and ensure that the Tribe is the primary beneficiary of the gaming operation and that gaming is conducted fairly and honestly by both the operator and players.

The United States has determined, through the adoption of the IGRA, that the conduct of certain gaming activities should benefit Indian tribes and their members. The terms and conditions set forth below to regulate Class III gaming conducted by the Jamestown S'Klallam Tribe have been developed pursuant to that congressional mandate.

This Compact is intended to be the immediate means by which the Jamestown S'Klallam Tribe may lawfully conduct Class III gaming activities within Washington State, which permits such gaming for any

purpose by any person, organization or entity, and to define the manner in which laws regulating the conduct of those gaming activities are applied in order that Tribal and State interests may be met.

The Jamestown S'Klallam Tribe and the State of Washington have mutually agreed, within the parameters established by the Act, to Compact provisions governing the conduct of Class III activities on the lands of the Tribe, designed to:

- protect the health, welfare and safety of the citizens of the Tribe and the State;
- develop and implement a means of regulation for the conduct of Class III gaming on Indian lands, as that term is defined in the Act, in an effort to ensure the fair and honest operation of such gaming activities and to deter corrupt or illegal practices in conjunction with such activities;
- to maintain the integrity of all activities conducted in regard to Class III gaming; and
- to mitigate negative impacts on surrounding communities.

The policy of the State of Washington regarding the gaming authorized under this Compact is set forth in Chapter 9.46 of the Revised Code of Washington (RCW). The provisions of Chapter 9.46 RCW and Title 230 WAC of the Washington Administrative Code (WAC) regulate such gaming activities in the State. The policy of the State is to allow limited and highly regulated casino gaming for non-profit organizations, and to restrain persons from seeking profit from professional gambling activities. The State agrees that the Tribe shall be authorized, as a result of the provisions of the IGRA and the

terms of the Compact, to engage in the Class III gaming activities expressly permitted herein.

The Jamestown S'Klallam Tribe and the State of Washington believe that the conduct of Class III gaming under the terms and conditions set forth below will benefit the Jamestown S'Klallam Tribe and protect the members of the Jamestown S'Klallam Tribe and the citizens of the State of Washington consistent with the objectives of the IGRA.

IN CONSIDERATION of the foregoing and the mutual benefits to be derived, the JAMESTOWN S'KLALLAM TRIBE and the STATE OF WASHINGTON do enter into a CLASS III TRIBAL-STATE COMPACT as provided for herein.



## I. TITLE

This document shall be cited as "The State of Washington - Jamestown S'Klallam Tribe Gaming Compact."

## II. DEFINITIONS

For purposes of this Compact the following definitions apply:

- A. The "Act" means the Indian Gaming Regulatory Act, 25 USC §2701 et seq. and 18 USC §1166 et seq. (also IGRA).
- B. "Applicant" means any individual who has applied for a tribal license or state certification, whether or not such license or certification is ultimately granted.
- C. "Class III Gaming" means all forms of gaming authorized by this Compact which are neither Class I or Class II as the latter terms are defined in the IGRA 25 USC §§2703(6) and (7); and the regulations promulgated thereunder.
- D. "Tribe" means the Jamestown S'Klallam Tribe.
- E. "Jamestown S'Klallam Tribal Lands" means Indian lands as defined by 25 USC §2703(4), subject to the provisions of 25 USC §2719.
- F. "Compact" means this State of Washington - Jamestown S'Klallam Tribe Gaming Compact.
- G. "Management Entity" means any individual with whom, or other business entity with which the Jamestown S'Klallam Tribe enters into a contractual agreement for financing, development and operation of any Class III gaming establishment on the Jamestown S'Klallam Reservation.
- H. "Gambling Device" means any device or mechanism the operation of which a right to money, credits, deposits or other things of value may be created, in return for a consideration, as the result of the operation of an element of chance and any device or mechanism which, when operated for a consideration, does not return the same value or thing of value for the same consideration upon each operation thereof.
- I. "Gaming Employee" means any natural person employed in the operation or management of gaming in connection with the tribe's gaming operation or facility, whether employed by or contracted to the Tribe or by or to any person or enterprise providing on or off-site gaming operation or management services to the Tribe, including, but not limited to, gaming operation managers and

assistant managers; accounting personnel; gaming facility surveillance or security personnel; cashier supervisors; dealers or croupiers; boxmen; floormen; pit bosses; shift bosses; cage personnel; collection personnel; computer operators and technicians; gaming management consultants, management companies and their principals; and any other person whose employment duties require or authorize access to areas of the gaming facilities related to gaming which are not otherwise open to the public, or to areas specifically designated by the Tribal and State Gaming Agencies.

- J. "Gaming Facility" means the building, and specifically the room or rooms, in which Class III gaming as authorized by this Compact is conducted on the Jamestown S'Klallam Reservation.
- K. "Gaming Operation" means any business activities operated by the Tribe on the Reservation, for the conduct of any form of Class III gaming in any facility.
- L. "Gaming Services" means the providing of any goods or services to the Tribe, whether on or off site, directly in connection with the operation of Class III gaming in a gaming facility, including maintenance, security or other services for the gaming facility, testing of gaming equipment, and manufacture, distribution, maintenance or repair of gaming equipment specifically authorized under this Compact.
- M. "Gaming Station" means one gaming table of the general size and scope as commonly used in Nevada.
- N. "Local Law Enforcement Agency" means law enforcement agencies in the immediate vicinity of the gaming operation and which have jurisdiction to enforce tribal, local or state laws on Jamestown S'Klallam Tribal Lands.
- O. "National Indian Gaming Commission" means the Commission established pursuant to Section 5 of the Act, 25 USC §2704.
- P. "Individual" means, but is not limited to, natural persons and business entities including business sole-proprietorships, partnerships, corporations, joint ventures, organizations and associations.
- Q. "Net Win" means the total amount of Class III gaming station income (gross gaming revenue) i.e., the difference between the total amount wagered or played and the amounts paid to winners.
- R. "Principal" means with respect to any enterprise: (i) each of its officers and directors; (ii) each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer or general manager; (iii) each of its owners or partners, if an unincorporated business; (iv) each

of its shareholders who own more than ten percent of the shares of the corporation, if a corporation; and, (v) each person or entity other than a banking institution who has, provided financing for the enterprise constituting more than 10% of the start-up capital or operating capital over a twelve month period, or a combination thereof. For purposes of this definition, where there is any commonality of the characteristics identified in (i) through (iv) above between any two or more entities, those entities shall be deemed to be a single entity.

- S. "Financiers" means any one providing development or initial operating capital to the Tribe or Gaming operation for Gaming facilities or operation. This shall not include trade creditors established in the normal course of business.
- T. "State" means the State of Washington, its authorized officials, agents, and representatives.
- U. "State Gaming Agency" means the Washington State Gambling Commission.
- V. "State Certification" means the process utilized by the State Gaming Agency to assist the Tribe and ensure that all individuals and other entities required to be licensed/certified are qualified to hold such license/certification in accordance with this Compact and the provisions of Chapter 9.46 RCW.
- W. "WAC" means the Washington Administrative Code, as amended.
- X. "Tribal Gaming Agency" means the Jamestown S'Klallam Gaming Commission to be established in accordance with Tribal Ordinance #01-92 as the tribal agency responsible for independent regulatory oversight of Class III Gaming as authorized by this Compact.
- Y. "RCW" means the Revised Code of Washington, as amended.

### **III. NATURE AND SCOPE OF CLASS III GAMING**

#### **A. Location of the Gaming Facility**

The Tribe may establish one gaming facility on the Reservation for the operation of any Class III games as authorized under this Compact. Class III gaming will initially be conducted in conjunction with the Tribe's proposed Class III gaming operation located on Tribal trust land (in trust status since 1986) adjacent to the Tribal fireworks sales business at Blyn. Any change in the location of the Class III

gaming will be to a location on Reservation land and require renegotiation under IGRA and compliance with the process established by the state for public input and approvals. The parties agree to renegotiate prior to the relocation and under the provisions of IGRA to address the issues specific to the relocation and the permanent siting of the Class III gaming facility.

**B. Conditions**

After any six months of operation ("phase one"), the State Gaming Agency shall conduct a review of the Class III operation to determine general compact compliance and whether the conditions set forth below have been satisfied. If, as a result of the review, the State Gaming Agency determines that the operation is in compliance with these conditions, the Class III operation may implement "phase two." If the State Gaming Agency determines that the Class III operation has not satisfied the conditions, any resulting dispute will be resolved through the dispute resolution procedures set forth in section XII of this Compact. Any increase in the number of gaming stations, hours of operation, the number of facilities, or wager limits beyond that initially authorized during "phase one" of class III gaming operations shall be conditioned upon the following criteria:

1. There have been no violations of the provisions of the Compact that have resulted in sanctions imposed by the Federal District Court or the National Indian Gaming Commission.

2. There have been no violations of the Compact which are substantial or, due to repetition, would be deemed material.

3. There have been no material adverse impacts on the public health, safety, or welfare of the surrounding communities in the

nature of criminal activities directly related to the operations of the Class III gaming operation.

4. There have been no unresolved and material violations of Appendix A of this Compact.

5. The Tribal Gaming Agency has developed a strong program of regulation and control demonstrating an adequate level of proficiency, which includes the hiring of trained Tribal Gaming Agents, an independent regulatory and reporting structure separate from that of the gaming operation or tribal bodies, a thorough and developed system for the reporting of Compact violations, and a strong and consistent presence within the Class III facility.

If the State claims that any of the five conditions in this subsection have not been met, the issue shall be subject to the provisions of Section XII. During this dispute resolutions process, the Tribe will be precluded from expansion of gaming stations within the existing facility.

#### C. Additional Provisions

##### 1. Ownership and Control

The Class III gaming operation shall be wholly owned and operated by the Jamestown S'Klallam Tribe. Provided, the Tribe may grant a minority interest in the facility, consistent with the requirements of the IGRA and this Compact, including licensing and certification, if market factors and business reasons dictate. If the Tribe utilizes a management company, the management company shall also be subject to the annual certification and licensing requirements of this Compact.

##### 2. Construction

As with any major development project on the Jamestown S'Klallam

Reservation, this project will comply with all applicable tribal and federal regulations, including by way of example: zoning, building, environmental review and water quality protection.

### 3. Operations

The scope of the operation will be established by management of the gaming operation through evaluation of marketing, economics and public policies within the parameters established by the Jamestown S'Klallam Gambling Control Ordinance of 1992, regulations promulgated by the Jamestown S'Klallam Gaming Commission, and consistent with the provisions of this Compact.

#### (a) Public Health, Safety and Environmental Protection

The number of persons permitted to engage in gaming at any tribal facility will not exceed the number authorized by applicable fire and building codes. The Tribal Gaming Agency shall make provisions for adequate emergency accessibility and service. The Tribe shall comply with and enforce standards no less stringent than those contained in the following laws, regulations and codes:

- Indian Health Service public health standards.
- All Federal laws establishing minimum standards for environmental protection.
- Applicable Environmental Protection Agency program standards and National Environmental Policy Act requirements.
- Federal water quality and safe drinking water standards.
- Uniform Building Code, including codes for electrical, fire and plumbing.
- Public health standards for food and beverage handling in accordance with U.S. Public Health Service requirements.
- Tribal Codes regarding public health, safety and environmental protection standards.

(b) Community Contribution

(1) The Jamestown S'Klallam Tribe recognizes that activities directly and indirectly associated with the operation of gaming facilities on Jamestown S'Klallam Tribal Lands will likely impact surrounding local law enforcement agencies and place an increased burden on them. It is important to the Tribe and the State that adequate law enforcement resources are available to ensure that enforcement concerns related in whole or in part to the gaming operation are adequately and appropriately addressed. The Tribe hereby agrees to establish a fund for purposes of providing assistance to local law enforcement agencies, emergency services and/or other service agencies impacted by the Class III Gaming Facility and to withhold and disburse at least 2.0% of the net win from the Class III gaming operation for this fund ("community contribution"). County law enforcement shall be the first priority for distribution of the community contribution funds in an amount up to one-half of the total monies available for distribution.

(2) A committee consisting of a representative of the Tribal Council; a representative from the county in which the gaming facility is located; and a representative of the State Gaming Agency shall be established. The makeup of this committee may be altered by mutual agreement of the Tribal and State Gaming Agencies, if necessary. The committee shall meet at least annually to discuss impacts within the county and on the Reservation. No Class II gaming revenues or non-gaming revenues such as food, beverage, wholesale or retail sales, shall be included within the 2.0% budgeted and disbursed as set forth in this Section III.C.3(b).

(3) Within six (6) months of the date of final approval of this Compact, the Tribe and all local jurisdictions potentially impacted shall enter into a Memorandum or Memoranda of Understanding (MOU) delineating the anticipated governmental relationships and responsibilities both on and off Reservation with respect to the utilization of the community contribution. In the event that the parties shall be unable to enter into such a MOU(s) then the community contribution shall be placed in an interest bearing escrow account(s) pending the execution of such agreements. The Tribe shall be entitled to any interest earned on such funds unless it is subsequently determined, under the provisions of Section XII, that the Tribe acted unreasonably in refusing to sign such agreements.

(4) The community contribution shall be paid within thirty (30) days following end of each quarter (January 30, April 30, July 30, and October 30), following the opening of the Class III gaming facility to the public.

(5) The MOU(s) shall provide that the committee may adjust annually the allocation of the community contribution to meet the impacts associated with Class III gaming by the Tribe.

(6) At any time after one year from the opening of the Class III gaming facility, or from time to time thereafter, either the State Gaming agency or the Tribal Gaming Agency may request a reevaluation, and possible adjustment of the community contribution based upon impacts being different than anticipated. In the event the State and Tribal Gaming Agencies mutually agree, the community contribution shall be adjusted at that time.



(7) In the event of the creation of an escrow account(s), either the State Gaming Agency or the Tribe shall be entitled to invoke the alternative dispute resolution procedures of Section XII. The determination of the arbitrator shall be binding on all parties, including the local governments, and the MOU terms as determined by the arbitrator shall be approved and executed by all parties. Upon execution, the community contribution shall be disbursed.

(c) Forms of Payment

All payment for wagers made in authorized forms of Class III gaming conducted by the Tribe, including the purchase of chips or tokens for use in wagering, shall be made by cash, cash equivalent, personal check, or credit card. The Tribal gaming operation shall not extend credit to any patron of the gaming facility for gaming activities.

(d) Size of Gaming Floor

The actual Class III gaming floor within the gaming facility shall be determined by the Tribe.

(e) Number of Gaming Stations

The maximum number of Class III gaming stations shall not exceed thirty one (31) plus, at the option of the Tribe, one (1) additional gaming station ("the nonprofit station"). The proceeds from the nonprofit station shall be dedicated to support nonprofit organizations and their activities located within Clallam County or the State of Washington. For purposes of determination of "proceeds" from the nonprofit station only, proceeds shall mean the net win less the pro rata cost of regulation and operation, specifically excluding capital costs. Therefore, the proceeds shall equal the net win less

the costs of regulation and operation, divided by the thirty one (31) gaming stations. The Tribal gaming ordinance shall set forth regulations concerning the types of bona-fide nonprofit organizations or types of projects of such organizations that shall be supported by the nonprofit station. When the gaming operation has met the conditions set forth in Section III(B) "phase two" may be implemented, providing for up to (50) fifty gaming stations plus, at the option of the Tribe, two (2) additional gaming stations ("the nonprofit stations").

(f) Wagering Limitations

Wager limits shall not exceed two hundred fifty dollars (\$250). When the gaming operation has met the conditions set forth in Section III(B), "phase two" may be implemented, providing for wager limits of up to five hundred dollars (\$500).

(g) Hours of Operation

Operating hours may not exceed one hundred twelve (112) hours per week on an annualized basis. When the gaming operation has met the conditions set forth in Section III(B), "phase two" may be implemented, providing for operating hours of up to one hundred forty (140) hours per week on an annualized basis. Provided, gaming facility may not operate more than twenty (20) hours per day and must close between the hours of 2:00 a.m. and 6:00 a.m. each unless and until the Tribal and State Gaming Agencies, after consultation with enforcement officials from surrounding jurisdictions, mutually agree in writing to a different closing period. Provided further, upon thirty (30) days written notice to the State Gaming Agency and upon written mutual agreement between the State Gaming Agency and Tribal

Gaming Agency, the Tribe may, not more than three (3) times per calendar year, conduct continuous Class III operations for up to seventy two (72) hours.

(h) Prohibited Activities

Any gaming activity not specifically authorized in Section IV.A is prohibited as a Class III gaming activity unless subsequently authorized under this Compact. Nothing in the provisions of this Compact authorizes the use of any slot machine, electronic facsimile of any gaming activity, or gambling device, except as specifically authorized under IV.A of this Compact; for example, a roulette table used for play of the authorized gaming of roulette.

(i) Prohibition on Minors

No person under the age of eighteen (18) shall participate in any gaming activity, or be allowed on the gaming floor authorized by this Compact. Provided, should alcoholic beverages be offered within any gaming facility, pursuant to applicable law, then no patron under the age of twenty-one (21) shall be permitted in the gaming facility. The standards for alcohol service shall be subject to applicable laws.

(j) Prohibition on Firearms

The possession of firearms by any person within the gaming facility shall be strictly prohibited, and the Tribal Gaming Agency will post a notice of this prohibition near the entrance to the facility. Provided, this prohibition shall not apply to authorized agents or officers of the Tribal Gaming Agency, State Gaming Agency, State Patrol, or Local Law Enforcement Agencies.

#### **IV. CLASS III GAMING**

##### **A. Authorized Class III Games**

1. The Jamestown S'Klallam Tribe may conduct, subject to the terms and conditions of this Compact, any or all of the following games:

(a) Black Jack and currently approved variations, Caribbean stud, Baccarat, Chemin de Fer, Red Dog, Pai Gow, Money-wheel, Chuck-a-luck, Craps, 4-5-6, Ship-Captain-Crew, Horses (Stop Dice), Beat the Dealer, Over/Under Seven, Single and Double Zero Roulette, Beat My Shake, Horse Race, Sweet Sixteen, Sic-bo.

(b) Sports Pools, on regularly scheduled athletic contests, of one hundred (100) squares wherein each square is sold for not more than ten (\$10) dollars and all proceeds, less a tribal administrative charge of no more than 50 cents for each \$10 wagered, are awarded as prizes. All other provisions of RCW 9.46.0335 shall be applicable.

##### **B. Other Class III Table Games**

The Tribe may wish to play other Class III table games that would also be authorized for play for any purpose by any person, organization, or entity in the State of Washington and that is not otherwise treated as Class II gaming in the state pursuant to 25 USC §2703(7). In that event, the Tribe shall provide the proposed game regulations to the State Gaming Agency at least thirty (30) days prior to the time play begins. If the State takes no action within the 30 days, the Tribe may begin offering the game. If a dispute arises between the Tribe and the State regarding issues including but not limited to rules of the game, legality of the game, manner of play, or ability of the parties to regulate, the State and Tribal Gaming

Agencies shall meet and resolve the dispute prior to the time play of that game can begin, and the provisions of Section XII will be available to resolve disputes if necessary.

C. Lottery-type Games

For games including keno and keno-type games, instant tickets, on-line games, or other lottery-type games authorized for play for any purpose by any person, organization, or entity in the State of Washington that are not otherwise treated as Class II gaming in Washington pursuant to 25 USC §2703(7), the Tribe will submit the proposed rules, manner of regulation and manner of play to the State Gaming Agency at least sixty (60) days prior to time play shall begin. If the State takes no action within the 60 days, the Tribe may begin offering the game. If a dispute arises between the Tribe and the State with respect to the nature of the game, security issues, rules of play, or training and enforcement associated with regulation, the State and Tribal Gaming Agencies shall meet and resolve the dispute prior to the time play of that game can begin. If the dispute cannot be resolved by the parties through discussion, then the Tribe may initiate formal negotiations subject to the provisions of the IGRA. Provided further, that upon mutual agreement of the State and Tribal Gaming Agencies, some or all of the unresolved issues may be submitted to arbitration under Section XII.

D. Punchboards and Pull Tabs - Separate Locations

In addition to the games authorized by Section IV.A, the Jamestown S'Klallam Tribe may utilize punchboards and pull tabs in its gaming facilities and at other locations under the jurisdiction of the

Jamestown S'Klallam Tribe subject to regulation and licensing by the Tribe and operated in a manner consistent with the sale of punchboards and pull tabs in the Tribal Bingo Hall and under the IGRA.

E. Additional Class III Games

The parties understand that the Jamestown S'Klallam Tribe may later wish to conduct other Class III games allowed under the IGRA, that are not included in this Compact, to be played on Jamestown S'Klallam Tribal Lands; for example, a tribal lottery or horse racing activity. In that event, the parties agree that if the Tribe wishes to conduct such activities, the following process will be followed:

1. The Tribe will submit a letter from the Tribal Chairman to the Governor identifying specifically the additional proposed activities as well as applicable amendments or additions to the Jamestown S'Klallam Gambling Control Ordinance of 1992.

2. The Tribe will submit to the State Gaming Agency, together with a copy of the above letter, draft regulations covering the proposed activity.

3. The State will review the regulations submitted and, with the Tribe, negotiate to develop a Compact covering operation and regulation of the Tribal activity, within the next sixty (60) days after receipt.

4. If the State disapproves the proposed regulations during the sixty (60) day period or a Compact covering the proposed activity is not finalized during the sixty (60) day period, the State and the Tribe agree to continue to negotiate to develop regulations and a compact for at least an additional 120 days prior to any action being

filed against the State pursuant to 25 USC §2710(d)(7)(A)(i).

## **V. LICENSING AND CERTIFICATION REQUIREMENTS**

### **A. Gaming Facilities.**

The gaming facility authorized by this Compact shall be licensed by the Tribal Gaming Agency and relicensed annually. The Tribal Gaming Agency shall not permit a licensee to commence operations unless in compliance with the provisions of this Compact. Verification of this requirement shall be made by the Tribal Gaming Agency by conducting, at least ten days prior to scheduled opening to the public, a joint pre-operation inspection with the State Gaming Agency. If the facility does not meet the requirements, the State Gaming Agency or the Tribal Gaming Agency must send a non-compliance letter within seven (7) working days after completion of the inspection. If the Tribal and State Gaming Agencies do not agree on whether the facility meets the requirements, the agencies will meet within ten (10) working days from receipt of the non-compliance letter and work together to resolve concerns. If a dispute regarding this inspection cannot be resolved by the Tribal and State Gaming Agencies within thirty (30) days, the parties may seek resolution pursuant to Section XII of this Compact. The actual costs of final inspection of the facility under this Section shall be assessed to the Tribe.

### **B. Gaming Employees**

Every gaming employee shall be licensed by the Tribal Gaming Agency and relicensed annually. Further, all gaming employees must be certified by the State Gaming Agency and recertified annually. No

license or renewal shall be issued unless the standards and provisions set forth in this Compact have been met. Provided, the Tribal Gaming Agency may issue a license if the employee has a current license or certification issued by the State Gaming Agency, the employee consents to disclosure to the Tribal Gaming Agency of all information held by the state agency, and the State Gaming Agency certifies, prior to licensing, that the employee is currently licensed or certified and is in good standing.

C. Manufacturers and Suppliers of Gaming Services and Management Entities

Each manufacturer and each supplier of gaming services and each management entity shall be subject to the licensing requirements of the Tribal Gaming Agency and shall be required to obtain state certification pursuant to Section VI prior to the sale or installation of any gaming equipment. If the supplier or manufacturer is licensed or certified by the State to provide those goods or services, it shall be deemed certified for purposes of this Compact. The licensing and certification shall be maintained and renewed annually. Upon request of the Tribal Gaming Agency, the State Gaming Agency will expedite these certifications to the extent possible. For small, one-time purchases from local suppliers see note 1 in Appendix B.

D. Financiers

Financiers shall be subject to the annual licensing requirements of the Tribal Gaming Agency and shall be required to obtain State certification prior to disbursement of funds under any financing agreement covered by this Compact and annually thereafter. These licensing and certification requirements do not apply to financing



provided by a federally regulated commercial lending institution, the Jamestown S'Klallam Tribal government, or the Federal government. Provided, the source of all funds will be fully disclosed to the State.

## **VI. LICENSING AND CERTIFICATION PROCEDURES**

### **A. Procedures For Tribal License Applications**

Each applicant for a tribal gaming employee license shall submit a completed application to the Tribal Gaming Agency on the required forms provided by that agency. The forms shall contain such information, documentation and assurances as may be required by the Tribal and State Gaming Agencies concerning the applicants' personal and family history, personal and business references, criminal record, business activities, financial affairs, gaming industry experience, general work history and educational background. Each completed application shall be accompanied by the applicants' fingerprint card(s), two current photographs, and the fees required by the Tribal Gaming Agency and State Gaming Agency. Upon receipt, the Tribe will transmit a copy of the license application materials for each applicant, together with fingerprint cards, a current photograph and any fee required, to the State Gaming Agency.

### **B. State Certification and Background Investigation**

Upon receipt of a completed application and the certification fee, the State Gaming Agency shall conduct the necessary background investigation to ensure the applicant is qualified for state certification. The State Gaming Agency shall expedite state certification requests submitted by the Tribe. Upon completion of the

necessary background investigation, the State Gaming Agency shall either issue a state certification to the applicant with a copy to the Tribal Gaming Agency, or deny certification. If the State Gaming Agency denies the request for certification, a statement setting forth the grounds for denial shall be forwarded to the applicant in accordance with the provisions of Chapter 230-50 WAC with a copy forwarded to the Tribal Gaming Agency. The State shall not apply more rigorous standards than those actually applied in the approval of state licenses/certifications in gaming activities regulated exclusively by the State.

If the State Gaming Agency denies the request for certification, the Tribal Gaming Agency shall not issue a license and the applicant may appeal the Tribal Gaming Agency's refusal to issue a license as provided in the Tribal Gaming Code. Provided, the applicant may appeal the State denial directly to the State Gaming Agency in which case the Tribal Gaming Agency shall stay its consideration of the tribal license application pending the final outcome of the state appeal. Provided further, the State retains the right to take action, through State or Tribal court or administrative processes, to deny, suspend or revoke a state certification.

Applicants for State certification shall agree to submit to State jurisdiction to the extent necessary to determine qualification to hold such initial certification and annual certification thereafter, including the necessary administrative procedures, hearings and appeals pursuant to RCW 9.46, WAC 230-50 and the State Administrative Procedures Act, RCW 34.05. Tribal members applying for state certification waive any immunity, defense, or other objection they

might otherwise have to this limited exercise of State jurisdiction, but only for the purposes set forth in this paragraph. Nothing in this Section shall be deemed or interpreted as a waiver of immunity or submission to State jurisdiction for any other purpose or cause of action.

C. Temporary Certification

Unless the background investigation undertaken by the State Gaming Agency, within thirty (30) days of the State Gaming Agency's receipt of a completed application, discloses that the applicant has a criminal history, or unless other grounds that may be sufficient to disqualify the applicant pursuant to Section VI.E are apparent or are discovered, the State Gaming Agency shall, upon written request of the Tribal Gaming Agency, issue a temporary certification to the applicant. The temporary certification shall become void and be of no effect upon either the issuance of a state certification or upon the issuance of intent to deny, in accordance with the provisions of this Compact.

D. Provisional/Conditional Certification of Tribal Members

For enrolled members of the Jamestown S'Klallam Tribe who are applicants for Class III gaming certification and licensing, the State Gaming Agency will consult with the Tribal Gaming Agency prior to denying certification to such an applicant who does not meet the criteria for certification. The Tribal and State Gaming Agencies may waive, by mutual agreement, through a provisional or conditional certification, certain criteria for such enrolled tribal members if the waiver does not pose an appreciable risk to the public or the lawful operation of the gaming facility. If the Tribe can show

extenuating circumstances why an enrolled tribal member who does not meet all criteria should be further considered for a provisional or conditional certification, the Tribal and State Gaming Agencies may agree to a temporary certification, based on specific conditions and a further detailed review of the applicant. Additional fees may be required to maintain a conditional or provisional certification.

E. Grounds for Revocation, Suspension or Denial of State Certification

The State Gaming Agency may revoke, suspend or deny a State certification under the provisions of RCW 9.46.075 and rules promulgated thereunder for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to when an applicant or holder of certification or principal of an entity:

1. Is determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods and activities in the conduct of the gaming activities permitted pursuant to this Compact; or the person has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of a Tribal/State Compact.

2. Has failed to provide any information reasonably required to investigate the application for state certification or to reveal any fact material to such application, or has furnished any information which is untrue or misleading in connection with such application.

3. Has had a Tribal or State gaming license revoked or denied during the twelve (12) months prior to the date of receipt of the application; is currently on probation; or has demonstrated a willful disregard for compliance with gaming regulatory authority in any jurisdiction, including offenses that could subject the individual or entity to suspension, revocation or forfeiture of a gaming license.

For the purpose of reviewing any application for a state certification and for considering the denial, suspension or revocation of any state certification the state gaming agency may consider any prior criminal conduct or current probationary status of the applicant or holder of certification and the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to such cases.

4. Notwithstanding anything herein to the contrary, in the absence of other violations, it shall not be automatic grounds for revocation, suspension or denial for an Indian from a federally recognized Indian Tribe to have been charged or convicted of the following non-gambling related offenses the occasion of which occurred prior to Supreme Court rulings on the subject: (1) hunting or fishing offense; or (2) a cigarette or alcohol sales offense. The parties agree that Indians from federally recognized Indian tribes charged or convicted in cases involving the exercise of non-gambling related trust or treaty rights; in the absence of other violations, activities or factors which would warrant denial, revocation or suspension; shall not be barred solely as a result of such activities from certification.

#### F. Fees For State Certification

The current fees for state certification are set forth in Appendix B of this Compact. Provided, should actual costs incurred by the

State Gaming Agency for processing certification applications exceed the fees established in the Appendix B fee schedule, those costs will be assessed to the applicant during the investigation process. Payment in full to the State Gaming Agency will be required prior to the issuance of state certification.

Notwithstanding any other provision of this Compact, the State Gaming Agency may modify the certification fees charged if the State amends its general certification fee schedule and provides sixty (60) days notice to the Tribe prior to the effective date of the new fee schedule.

G. Fees For Tribal License

The fees for all gaming licenses issued by the Tribe shall be set by the Tribal Gaming Agency.

H. Denial, Suspension, or Revocation of Licenses Issued By Tribal Gaming Agency

The denial, suspension, or revocation of any Tribal gaming license by the Tribal Gaming Agency shall be in accordance with Tribal ordinances and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of Section V.E.

I. Duration and Renewal of Tribal Licenses and State Certifications

Any Tribally issued license or State issued certification shall be effective for one year from the date of issuance. Provided, that a licensed or certified employee or entity that has applied for renewal may continue to be employed under the expired license or state certification until final action is taken on the renewal application by the Tribal Gaming Agency. Applicants for renewal of a license

shall provide updated material as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the Tribal Gaming Agency or the State Gaming Agency. No additional background investigation shall be required unless new information is discovered or concerns are noted regarding the applicant's continuing suitability or eligibility for a license or certification by either the Tribal Gaming Agency or the State Gaming Agency.

J. Summary Suspension of Tribal License or State Certification

The Tribal Gaming Agency, pursuant to the laws of the Tribe, and the State Gaming Agency, pursuant to the laws of the State, may summarily suspend any respective Tribal license or State certification if the continued licensing or certification of a person or party constitutes a threat to the public health, safety or welfare.

K. Identification Cards

The Tribal Gaming Agency shall require all gaming employees to wear identification cards issued by the Tribal Gaming Agency which shall include photo; first name; a tribal seal or signature; identifying number and a date of expiration.

L. Exchange of Tribal Licensing and State Certification Information

In order to ensure that a qualified work force is maintained throughout the State in all areas of Class III gaming as well as in all other types of gambling authorized in Washington, the Tribal Gaming Agency and the State Gaming Agency shall promptly forward to the other agency a copy of the final disposition of any administrative action or legal proceeding taken by either agency against a tribal license or state certification issued under the provisions of this

Compact. This information shall be maintained as part of the licensing records of each agency.

## **VII. TRIBAL ENFORCEMENT OF COMPACT REQUIREMENTS**

### **A. Tribal Gaming Agency**

The primary responsibility for the regulation, control and security of the gaming operation authorized by this Compact, and for the enforcement of the Compact regulatory requirements on Jamestown S'Klallam Tribal Lands shall be that of the Tribal Gaming Agency. No employee of the gaming operation shall be a member or employee of the Tribal Gaming Agency.

As part of its structure the Tribal Gaming Agency shall perform the following functions:

1. Enforce all relevant laws in the gaming establishment;
2. Ensure the physical safety of patrons in the establishment;
3. Ensure the physical safety of personnel employed by the establishment;
4. Ensure the physical safeguarding of assets transported to and from the gaming facility and cashier's cage department;
5. Protect the patrons' and the establishment's property from illegal activity;
6. Temporarily detain persons that may be involved in illegal acts, for the purpose of notifying law enforcement authorities; and
7. Record, in a permanent and detailed manner, any and all unusual occurrences within the gaming facility for which the assignment of a security department employee or tribal gaming agent is made. Each incident shall be assigned a sequential number.

### **B. Tribal Gaming Agents**

The Tribal Gaming Agency shall employ qualified inspectors or agents under the authority of the Tribal Gaming Agency. These agents



or inspectors shall be independent of the tribal gaming operation, and shall be supervised by and accountable only to the Tribal Gaming Agency.

C. Reporting of Violations

A Tribal gaming agent shall be present in the gaming facility during all hours of gaming operations, and shall have immediate access to any and all areas of the gaming operation for the purpose of ensuring compliance with the provisions of this Compact and the Tribal Gaming Control Ordinance. Any violation(s) of the provisions of this Compact, or any violation of Chapter 9.46 RCW made applicable under the provisions of this Compact, by the Tribal gaming operation, a gaming employee, or any person on the premises, whether or not associated with the Tribal gaming operation, shall be reported immediately to the Tribal Gaming Agency, and forwarded by the Tribal Gaming Agency to the State Gaming Agency within 72 hours after the violation was noted.

D. Investigations and Sanctions

The Tribal Gaming Agency shall investigate any reported violation and shall require the Tribal gaming operation to correct the violation by bringing charges, levying sanctions or other penalties upon such terms and conditions as the Tribal Gaming Agency determines are necessary. The Tribal Gaming Agency shall be empowered by the Tribal Gambling Control Ordinance to impose fines and other sanctions upon the Tribal gaming operation, a gaming employee, a management company employee, or any other person or entity directly or indirectly involved in, or benefiting from, the gaming operations.

E. Reporting to State Gaming Agency

The Tribal Gaming Agency shall forward copies of all complete investigative reports and final dispositions to the State Gaming Agency on a continuing basis. If requested by the Tribal Gaming Agency, the State Gaming Agency shall assist in any investigation initiated by the Tribal Gaming Agency and provide other requested services to ensure proper compliance with the provisions of this Compact, the Tribal Gambling Control Ordinance, laws of the Tribe, and applicable laws of the State.

F. Tribal Problem-Gambling Program

The Jamestown S'Klallam Tribe recognizes that gambling activities can lead to compulsive behavior that is as severe and has the same negative consequences as other behavioral addictions. The Tribe will work with the State Gaming Agency, who currently maintains an affiliation with a nationally recognized problem gambling organization, to establish an education and awareness program for the Reservation and surrounding communities. The program may be independent or developed as an adjunct to the program with which the state currently works.

**VIII. STATE ENFORCEMENT OF COMPACT REQUIREMENTS**

A. State Gaming Agents -- Monitoring

To assist the Tribal Gaming Agency in enforcing the Tribal Gaming Code and implementing the terms of this Compact, qualified agents of the State Gaming Agency as determined by and designated by the State Gaming Agency Director will be assigned in the gaming facility. Whenever possible, these agents will be identified to the Tribal

Gaming Agency. Prior to the State Gaming Agency's designation of these agents, the Directors of the respective agencies shall meet to discuss logistics including the number and type of agents required, and any other details necessary to effectively fulfill the requirements of this Compact. The State Gaming Agency Director may, as necessary, assign unidentified agents for the purposes of special investigations. In conducting monitoring or investigations, all officials in the facility will conduct themselves in a professional manner.

The State Gaming Agency shall, pursuant to the provisions of this Compact, have the authority to monitor the Tribal gaming operations to ensure that the operations are conducted in compliance with the provisions of this Compact. Agents of the State Gaming Agency shall have unrestricted access to all areas of the gaming facilities during operating hours, and shall not be required to give prior notice to the Tribal gaming operation. When possible, the State Gaming Agency will give notice to the Tribal Gaming Agency or a tribal gaming inspector in the facility, and the Tribal Gaming Agency may assign a representative to accompany or assist the State gaming agents while on tribal land.

#### B. Enforcement Actions By State Gaming Agency

In the event the State Gaming Agency has information that may indicate that an individual's tribal license should be revoked or suspended the State Gaming Agency will notify the Tribal Gaming Agency who shall either bring an action in accordance with tribal law; refer the case back to the State for action under State procedures; or decline to take the case, thereby deferring to the State to take any

action the Tribe or the State deems necessary for resolution of the issues. Provided, the State retains the right to take action, through Tribal or State court or administrative processes, to suspend or revoke a state certification.

C. Access to Records

Agents of the State Gaming Agency shall have authority to review and copy, during normal business or operating hours, all records maintained by the Tribal gaming operation. The Tribal Gaming Agency may inspect and copy records maintained by the State concerning Class III gaming of the Jamestown S'Klallam Tribe or otherwise conducted on Jamestown S'Klallam Tribal Lands.

All tribal records and state records are and shall be considered proprietary information and shall be treated as confidential, consistent with the terms and provisions of this Compact and any regulations promulgated hereunder and shall be protected as follows from public disclosure: (1) the State shall notify the Tribe of any requests for disclosure of information; and (2) the state shall not disclose until the Tribe has had a reasonable opportunity to challenge the request or to seek judicial relief. Provided, this public disclosure prohibition shall not apply to evidence used in any proceeding authorized by this Compact.

D. Investigations and Tribal Gaming Agency Notification

The State Gaming Agency may conduct such investigations, and may employ all authority granted under Chapter 9.46 RCW, including subpoena powers, consistent with the IGRA and the terms of this Compact as it deems appropriate to investigate violations of activities over which it has regulatory authority under this Compact

with respect to Tribal gaming operations. At the completion of any inspection or investigation, copies of the investigative reports shall be forwarded to the Tribal Gaming Agency.

E. State Gaming Agency Activities

Monitoring activities, enforcement actions, review and copying of records maintained by the Tribal gaming operation and investigations promulgated by the State Gaming Agency shall be consistent with, and sufficient only to discharge, its duties and obligations under the terms of this Compact, Tribal and State laws. Should the State Gaming Agency activities not meet these standards, the Tribal Gaming Agency may register a dispute with the State Gaming Agency and such dispute may be resolved, if necessary, under the provisions of Section XII.

F. Quarterly Meetings

To develop and foster a partnership in the enforcement of the provisions of this Compact, representatives of the State Gaming Agency and the Tribal Gaming Agency shall meet on at least a quarterly basis to review past practices and examine methods to improve the regulatory program created by this Compact. Further, the parties also contemplate that they will periodically meet jointly with the neighboring communities, including law enforcement agencies, to discuss any concerns regarding impacts of the Class III gaming operation(s).

G. Penalties Against the Tribal Gaming Operation

The parties to this compact have set forth a process for taking action against certified and/or licensed individuals or entities who act in violation of the provisions of this compact. In the event the Tribal gaming operation fails to take action to resolve violations of

the compact, in addition to other remedies provided herein, the State reserves the right to pursue a remedy against the Tribal gaming operation as a penalty for these actions. Should the Tribal Gaming Agency oppose such penalty, the State reserves the right to pursue an action on its own. The following schedule is established to set maximum penalties that the State Gaming Agency may levy against the Tribal gaming operation for infractions of the provisions of the Compact Sections specified below. The Tribal Gaming operation retains the right to contest the event or circumstances occasioning the charge and the extent and amount of the penalty for the infraction under the dispute resolutions provisions of Section XII. Any penalties collected will be distributed to the program developed under Section VII.F of this Compact to provide an education and awareness program for problem gambling.

1. For violation of terms, conditions and provisions of Sections III or IV: First and subsequent infractions: Up to a maximum suspension of gaming operations within the Class III facility not to exceed five (5) days of operation per violation, or the dollar equivalent of the net win to the Tribe from operations for the number of days of suspension.

2. Violation of the terms, conditions and provisions of Sections V and VI related to the use of non-certified or non-licensed gaming employees, manufacturers, financiers, suppliers or other entities:

- a. For employees first infraction - fin equal to daily net win for each day of employment divided by the number of stations in play for each day of employment. For employees second and subsequent infractions - one day's suspension of gaming operations for each day

of employment or a fine equal to the net win for each day of employment.

b. For manufacturers, suppliers, financiers and other entities - up to \$5,000 for the first infraction; and up to \$20,000 for the second and subsequent infractions.

3. For violation of the terms, conditions and provisions of Section IX or Appendix A:

a. For first infractions - written warning.

b. For second infractions - up to \$250.

c. For third infractions - up to \$500.

d. For subsequent violations - up to \$1,000.

Provided, that all penalties listed in subsections 3.a. through d. will be charged and monitored on a per-violation basis on an annual basis dating from the issuance of the written warning. During the first six (6) months of actual operation of the Class III gaming operation only written warnings will be issued.

## **IX. STANDARDS OF OPERATION AND MANAGEMENT**

### **A. Adoption of Standards of Operation and Management**

The Tribal Gaming Agency shall adopt standards of operation and management to govern all gaming operations utilizing the authority of the Tribe to operate games of chance as defined in this Compact. Such standards shall protect the public interest in the integrity of the gaming operations and shall reduce the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of Class III gaming activities. The initial standards of operation and management shall be those set forth in Appendix A. The Tribal Gaming

Agency shall provide written notification to the State Gaming Agency of any intent to revise the standards of operation and management set forth in Appendix A, and shall request the approval of the State Gaming Agency for such revised standards. State approval shall be deemed granted unless disapproved within thirty (30) days of submission of the revised standards. The State Gaming Agency shall concur with the revised standards upon request unless it finds that they would have a material adverse impact on the public interest or on the integrity of the gaming operations, and shall disapprove only such portions of any proposed revised standards which are determined to have a material adverse impact upon the public interests, setting forth specifically the reasons for such disapproval. If the State Gaming Agency disagrees with the proposed revised standards, they will meet with the Tribal Gaming Agency and attempt, in good faith, to resolve any differences. If unsuccessful, the matter shall be resolved pursuant to Section XII of this Compact.

**B. Additional Standards Applicable To Class III Gaming**

The following additional standards shall apply to the operation by the Tribe of the Class III gaming activities permitted by this Compact:

1. The Tribe shall maintain the following logs as written or computerized records, which shall be available for inspection by the State Gaming Agency in accordance with Section VIII.C of this Compact: a surveillance log recording all surveillance activities in the gaming facility; a security log recording all occurrences for which the assignment of a security department employee is made; a cashier's cage log recording all exchanges of gaming chips for cash by persons who



cannot reasonably be thought to have been gaming.

2. The Tribal Gaming Agency shall establish and maintain a list of persons barred from the gaming facilities because their criminal history or association with career offenders or career offender organizations poses a threat to the integrity of the gaming activities of the Tribe. The Tribal Gaming Agency shall also exclude persons engaging in disorderly conduct or other conduct jeopardizing public safety in the gaming facility. The Tribal Gaming Agency shall send a copy of its lists on at least a quarterly basis to the State Gaming Agency.

3. The Tribal Gaming Agency shall require the completion of an audit of the gaming activities of the Tribe, not less than annually, by an independent certified public accountant, in accordance with the auditing and accounting standards for audits of casinos of the American Institute of Certified Public Accountants.

4. The Tribal Gaming Agency shall notify the State Gaming Agency of the rules of each game of chance which will be operated by the Tribe and of any change in such rules. Summaries of the rules of each game relevant to the method of play and odds paid to winning bets shall be visibly displayed or available in pamphlet form in the gaming facility. Betting limits applicable to any gaming station shall be displayed at such gaming station. Rules of each game shall assure that the game will be operated in a manner which is honest, fair to patrons and amenable to regulatory oversight. Rules for games identified in Section IV.A shall be based upon such games as commonly practiced in Nevada, with such variations in the manner of wagering or play as do not fundamentally alter the nature of the game and as

are approved by the State and Tribal Gaming Agencies. The Tribal Gaming Agency will provide the State Gaming Agency with adequate advance notice of the rules of each game and any modification thereof, and will also provide adequate notice to patrons of the gaming facilities to advise them of the applicable rules in effect.

5. The Tribal facility shall maintain a closed circuit television system in accordance with the standards set forth in Appendix A, and shall not modify such standards without the agreement of the State Gaming Agency. The Tribal gaming operation shall provide the State Gaming Agency with copies of its floor plan and closed circuit television system and any modifications thereof, allowing sufficient time for detailed review by the State Gaming Agency. If the floor plan or closed circuit television system does not provide unobstructed camera views in accordance with such standards, the Tribal operation shall modify such floor plan or closed circuit television system in order to remedy such deficiency. If necessary to resolve differences, the Tribal and State Gaming Agencies shall promptly confer in good faith in an effort to reach agreement on the closed circuit television system. If agreement cannot be reached, the matter will be resolved in accordance with Section XII of this Compact.

6. The Tribal facility shall maintain all cashier's cages in accordance with the standards set forth in Section 7(3)(d) and Section 9 of Appendix A, and shall not modify such standards without the agreement of the State Gaming Agency. The State Gaming Agency may review all aspects of cashier's cage security. If a cashier's cage does not comply with the security standards set forth in Appendix A, the Tribal facility shall modify the cashier's cage to remedy such

deficiency. If necessary to resolve differences, the Tribal and State Gaming Agencies shall promptly confer in good faith in an effort to reach agreement on cashier's cage security standards. If agreement cannot be reached, the matter will be resolved in accordance with Section XII of this Compact.

7. The Tribal Gaming Agency shall provide the State Gaming Agency with a description of the Tribal gaming operation's minimum requirements for supervisory staffing for each gaming pit operated in its facilities. In the event that the State Gaming Agency regards such supervisory staffing as inadequate, the Tribal operation and Tribal and State Gaming Agencies shall promptly confer in good faith in an effort to reach agreement on supervisory staffing requirements. If agreement cannot be reached, the matter will be resolved in accordance with Section XII of this Compact.

## **X. JURISDICTION**

### **A. Criminal Matters**

#### **1. Investigative Authority**

The Tribal Gaming Agency, the County Sheriff, the Washington State Patrol, and the State Gaming Agency shall have the authority to investigate and make arrests if necessary for all gambling and related crimes against the laws of the Tribe and applicable laws of the State that occur within the gaming facility or within Jamestown S'Klallam Tribal Lands.

#### **2. Venue**

Following investigation and arrest, formal charges will be brought in the appropriate venue. Criminal prosecution will be through the

proper state, tribal or federal court.

B. Civil Matters

1. Concurrent Jurisdiction

The Tribal Gaming Agency and the State Gaming Agency shall have concurrent jurisdiction to investigate violations of the provisions of this Compact and to bring administrative charges in the appropriate forum, in accordance with the Tribal Laws or the provisions of Chapter 9.46 RCW and Chapter 230-50 WAC, made applicable by this Compact, against any individual or business entity that is licensed by the Tribal Gaming Agency, or certified by the State Gaming Agency in accordance with the provisions of this Compact. In recognition of the need to foster a joint regulatory program to enforce the provisions of this Compact, the Tribe consents to the exercise of jurisdiction by the Office of Administrative Hearings and Superior Courts of the State with respect to those actions taken to enforce the provisions of this Compact.

2. Tribal Jurisdiction

Civil disputes arising from the conduct of gaming under the Jamestown S'Klallam Gambling Ordinance of 1992 may be heard in the Northwest Intertribal Court or appropriate administrative forum as established by the Ordinance.

C. Limited Application of State Law

For the purposes of 18 USC §1166(d), for enforcing the provisions of this Compact, and for protection of the public health, safety and welfare; the following provisions of Chapter 9.46 RCW, including later amendments, to the extent they are not inconsistent with other

provisions of this Compact, are made applicable to and incorporated as part of this Compact: RCW 9.46.075; 9.46.140; 9.46.155; 9.46.160; 9.46.170; 9.46.180; 9.46.185; 9.46.190; 9.46.196; 9.46.198; 9.46.220; 9.46.221; 9.46.222; 9.46.230; and 9.46.240. The consents to this limited transfer of jurisdiction to the State with respect to Class III gaming activities on Jamestown S'Klallam Tribal Lands.

**D. Preservation of Tribal Self-Government**

Nothing in this Compact shall be deemed to authorize the State to regulate in any manner the government of the Tribe, or to interfere with the Tribe's selection of its governmental officers, including members of the Tribal Gaming Agency. No licensing or registration requirement contemplated by this Compact shall be applicable to such officers with respect to their capacity as officers of the Tribe.

**XI. REIMBURSEMENT FOR EXPENSES**

**INCURRED BY THE STATE GAMING AGENCY**

The Tribe shall reimburse the State Gaming Agency for all reasonable costs and expenses actually incurred by the State Gaming Agency in carrying out its responsibilities as authorized under the provisions of this Compact. Reimbursement shall be made for monitoring, investigative, and processing costs. With regard to administrative actions, reimbursement shall be made to the extent that costs incurred exceed the certification fees received. The State shall submit a verified, detailed statement of costs on a quarterly basis to the Tribal Gaming Agency and the Tribal Gaming Operation. The Tribal Gaming Operation shall reimburse the State Gaming Agency within thirty (30) days after receipt of the statement of costs. In

the event of differences regarding the cost statements, the State and Tribal Gaming Agencies shall promptly confer and attempt to resolve any disputes. If they are unable to agree, the dispute will be resolved pursuant to Section XII of this Compact. Nothing in this Compact shall be deemed to authorize the State to impose any tax, fee, charge or assessment upon the Tribe or any Tribal gaming operation except for charges expressly authorized pursuant to this Compact.

### **XII. DISPUTE RESOLUTION**

The Tribe and the State recognize that disputes may arise during the implementation of this Compact and have established the following dispute resolution process in order to foster a spirit of cooperation and efficiency in the administration and monitoring of performance and compliance with the terms, provisions and conditions of this Compact. The particular nature of the dispute will determine which of the following procedures will be used. In a number of instances throughout the Compact the parties have specified procedures which range from resolution by the Tribal and State Gaming Agencies to binding arbitration. Nothing in this Section is intended to preclude either party from seeking injunctive relief against the other as provided in Section XIII.

#### **A. Tribal and State Gaming Agency Procedure**

Unless other procedures and time limits are set forth elsewhere in this Compact, in the event of a dispute or disagreement between the parties regarding the implementation of and compliance with this Compact as referenced, or otherwise by mutual agreement of the parties, disputes and disagreements shall be resolved by the Tribal

and State Gaming Agencies as follows:

1. Either party shall give the other, as soon as possible after the event giving rise to the concern, a written notice setting forth the issues to be resolved;

2. The parties shall meet and confer not later than ten (10) days from receipt of the notice;

3. If the dispute is not resolved to the satisfaction of the parties within twenty (20) days of the first meeting, then the parties may agree to resolve the dispute using the Arbitration procedures set forth below or, if appropriate, utilize the remedies in Section XIII.

#### B. Arbitration

The parties have specified in various Sections of this Compact that arbitration is an appropriate mechanism to resolve disputes regarding those particular issues.

1. The arbitration will be conducted by and in accordance with the policies and procedures of the Judicial Arbitration and Management Service (JAMS);

2. The judge(s) shall be selected within seven (7) days of the request for arbitration. The hearing, unless another date is stipulated to by the parties, shall occur no later than fourteen (14) days from the selection of judge(s). The hearing shall be before a JAMS judge or judges of agreed selection by the parties, but in the event there is no agreement on selection of a judge or judges, then as selected by JAMS or by the parties;

3. The hearing shall occur at a time, place and location of mutual selection, but if such cannot be agreed to, then as selected by JAMS or by the judge(s) chosen;

4. The decision of JAMS shall be final and unappealable. If the party against whom sanctions are sought is required to take curative or other conforming action and it is not performed or the party does not expeditiously undertake to effect a cure, or if that party is not capable of an immediate remedy, then that failure shall be deemed a default and breach of the provision(s) of the Compact at issue.

5. Should the JAMS cease to provide these necessary functions, then the parties agree to substitute the services of another comparable and agreed-upon arbitration service.

C. Remedy Not Intended To Be Exclusive

Nothing in Section XII shall be construed to waive, limit or restrict any remedy which is otherwise available to either party to enforce or resolve disputes concerning the provisions of this Compact. Nor shall this Section be construed to preclude, limit or restrict the ability of the parties to pursue, by mutual agreement, alternative methods of dispute resolution including, but not limited to, mediation, arbitration, or utilization of a technical advisor to the Tribal and State Gaming Agencies. Provided, that neither party is under an obligation to agree to such alternative method of dispute resolution. The parties to this Compact agree that the favored method of resolving differences is for the State and Tribal Gaming agencies to meet and confer in good faith regarding the issues in dispute and attempt to resolve disputes through their joint working relationship.

**XIII. REMEDIES**

A. Injunction Against the State

If the Tribe believes the State, whether or not through the State



Gaming Agency, is in breach or default or is otherwise acting contrary to or failing to act in the manner required by the provisions of this Compact, the Tribe may bring an action to seek injunctive or other relief in a court of competent jurisdiction. Prior to bringing such action the Tribe shall notify the State and State Gaming Agency of the alleged violation(s).

B. Injunction Against the Tribe, the Tribal Gaming Operation, or any Individual

The State may bring an action to enjoin the Tribe, the Tribal gaming operation, or any individual if the State determines that any gaming authorized by the provisions of this Compact is being conducted in violation of the provisions of this Compact, or if any Class III activity is being conducted on Jamestown S'Klallam Tribal Lands in violation of the provisions of this Compact. Such action shall be brought in the U.S. District Court, pursuant to 25 USC §2710(d)(7)(A)(ii). Prior to bringing such action, the State shall notify the Tribe, the Tribal gaming operation, and the Tribal Gaming Agency of the alleged violation(s). For the purposes of this remedy, the Tribe consents to this suit and waives any defense it may assert by way of its sovereign immunity.

**XIV. LIMITATION OF LIABILITY**

Neither the Jamestown S'Klallam Tribe nor the State are creating, or intend to create, or intend to create, any rights in third parties which would result in any claims of any nature whatsoever against the Tribe or the State as a result of this Compact. Neither the Jamestown

S'Klallam Tribe nor the State have waived their immunity from third party suits or claims of any kind or nature whatsoever against them, and nothing contained in this Compact shall be construed to effect a waiver, in whole or in part, of said immunity.

#### **XV. EFFECTIVE DATE AND DURATION; AMENDMENTS**

##### **A. Effective Date**

This Compact shall be effective upon publication of notice of approval by the Secretary of the Interior of the United States in the Federal Register in accordance with 25 USC §2710(d)(3)(B).

##### **B. Termination**

Once effective, this Compact shall be in effect until terminated by written agreement of both parties, under the provisions of the IGRA. Provided, the Tribe will provide written notice to the Governor of the State sixty (60) days prior to termination of the Compact. Suspension or injunction of Class III gaming activities shall not constitute termination for the purpose of this subsection.

##### **C. Amendment and Modification**

The terms and conditions of this Compact may be amended or modified by written agreement of both parties, and as provided in this Compact.

##### **D. Subsequent Negotiations**

Nothing in this Compact shall be deemed to waive the right of the Tribe to request negotiations for a tribal-state compact with respect to a Class III gaming activity which is to be conducted on the Jamestown S'Klallam Tribal Lands, but is not permitted under the

provisions of this Compact, including forms of Class III gaming which were not permitted by the State for any purpose by any person, organization, or entity at the time when this Compact was negotiated but are subsequently so permitted by the State, in accordance with 25 USC §2710(d)(3)(A).

E. Class II Gaming

The IGRA provides authority to Indian tribes to offer specific gaming activities as Class II gaming, and the operation of this Class II gaming is under the jurisdiction of the Tribe subject to provisions of the IGRA. Nothing in this Compact is intended to prohibit or restrict the operation of otherwise lawful and authorized Class II gaming on Jamestown S'Klallam Tribal Lands or within the gaming facility.

The parties to this Compact anticipate that any Class II games on Jamestown S'Klallam Tribal Lands will be conducted in a separate facility or in a portion of the gaming facility that is separate from that portion where the Class III games authorized by this Compact are offered. Commingling of these Class II games with the Class III games could impact the regulatory scheme established in this Compact, necessitating a separation of gaming revenues, records, and licensees and an identification of the Class II and Class III gaming stations and operations. In the event the Tribe wishes to commingle Class II and Class III games, the Tribal and State Gaming Agencies agree to fully review these issues and shall execute an agreement to facilitate and ensure effective and efficient monitoring and regulation under the terms of this Compact and the IGRA.

F. Enactment of Compact Provisions

Pursuant to the general rule making authority of the agencies, the Tribal Gaming Agency or the State Gaming Agency may each enact all or part of the provisions of this Compact as part of their regulations or rules governing gambling.

G. Revision of State Regulations

Whenever the State adopts or revises any rule or regulation which corresponds to any provision of the Tribe's Standards of Operations and Management relating to the same type of gaming, the State Gaming Agency may notify the Tribal Gaming Agency that it requests analogous changes in such Standards. The Tribal Gaming Agency will promptly confer with the State Gaming Agency in good faith concerning the appropriateness and applicability of such changes.

H. Change of State Law

If the laws of the State authorizing the activities set forth herein as Class III gaming activities are repealed, thereby prohibiting such gaming for any purpose by any person, organization or entity, it is the State's position that the provisions of this Compact providing for such gaming would not be authorized and the continued operation of such gaming would constitute a violation of the Compact for which the State could bring an action in Federal District Court pursuant to 25 USC §2710(d)(7)(A)(ii).

The Tribe disagrees that such subsequent State legislation would have this effect under the provisions of the IGRA and this Compact, but does agree that such an action, if commenced in that forum, is the appropriate State recourse and for that purpose consents to the suit

and waives any defense it may assert by way of its sovereign immunity.

## I. Amendments/Renegotiations

### 1. Compact Clarification and Modification

The terms and conditions of this Compact may be amended at any time by the mutual and written agreement of both parties. The parties recognize that circumstances may arise in implementation, operation, and regulation of the Class III gaming facility that require modification or clarification of Compact provisions. For such agreed-upon clarification or modification, the State and Tribe will execute and sign a Memorandum of Understanding that will be attached to and made part of this Compact.

### 2. Amendments - Contractual

#### (a) Amendments and Renegotiation: Moratorium:

Subsections III(A), III(C)(3)(e), III(C)(3)(f), and III(C)(3)(g) will not be subject to renegotiation or amendment for thirty-six (36) months from the date of this amendment, January 26, 1995, unless one of the following occurs: (1) the laws of the State are amended, expanding gaming beyond that which is now allowed under the terms of this Compact; (2) a State or Federal court within the State of Washington or a Federal court interpreting the laws of the State of Washington issues a final and unappealable decision permitting participation in a gaming activity that was not authorized for any purpose by any person, organization, or entity at the time this Compact was executed or not authorized by this Compact; (3) another tribe West of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior, greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities,

than authorized by the provisions of this Compact; or (4) another tribe East of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior, greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities, than authorized by the provisions of this Compact and the Tribe can demonstrate that such levels have resulted in an adverse economic impact on the Class III gaming operation. Further, §XV(I)(1), XV(I)(2)(c), and XV(C), which provides that the parties may "mutually agree" to renegotiations and/or compact amendments may not be invoked during this thirty-six (36) month time period.

The parties shall amend through renegotiation the nature and/or scope of Class III gaming as set forth in this Compact upon written notice and request by the Tribe to the State, if and when:

(i) The laws of the State are amended, expanding gaming beyond that which is now allowed under the terms of this Compact; or

(ii) A State or Federal court within the State of Washington or a federal court interpreting the laws of the State of Washington issues a decision that is final and unappealable that permits participation in a gaming activity that the State asserts was not authorized for any purpose by any person, organization, or entity at the time this Compact was executed or is not authorized by this Compact; or

(iii) Another tribe within the Point Elliott, Point No-Point and/or Medicine Creek, Quinault, or Makah Treaty areas obtains through a compact approved by the Secretary of the Interior greater levels of wagering, hours of operation, size and/or scope of Class III

gaming activities, than are authorized by the provisions of this Compact. Provided, that the provisions of this Compact will be reviewed in their entirety in light of the more recently approved Compact(s) and amendments made to maintain competitive equality. And disputes under this subsection may be resolved under Section XII if necessary.

(b) Renegotiation - State

The parties shall renegotiate Compact Sections containing provisions affecting health, safety, welfare or environmental issues, including Sections III.C.3(a), III.C.3(b), V, VI, VIII, and/or IX upon the written notice and request by the State to the Tribe, if and when circumstances or events unforeseen at the time of the negotiation and execution of this Compact occur that merit the discussion and renegotiation of such provisions. The notice to amend or renegotiate shall include the activities or circumstances the State wishes to negotiation, together with a statement of the basis supporting the request. The parties agree that the negotiations shall commence within twenty (20) days of the request. If the renegotiations are unsuccessful, the matter shall be resolved pursuant to Section XII, which in this instance shall be mandatory and binding.

(c) Renegotiation - State and Tribe

At any time after thirty-six (36) months from the date of signing this Compact, either party may request renegotiation of any of the provisions of this Compact if and when circumstances or events unforeseen at the time of the negotiation and execution of this Compact, or which could not be adequately addressed at the time of negotiation, occur that merit the discussion and renegotiation of such

provisions. The request to renegotiate shall include the activities or circumstances the party wishes to negotiate, together with a statement of the basis supporting the request. The parties agree that negotiations shall commence within thirty (30) days of the request. The original terms and provisions of the Compact will remain in effect unless and until the parties agree on the renegotiated terms.

(d) State Authorization of Additional Class III Gaming Activities

In the event the State hereafter authorizes any additional Class III activity, including but not limited to electronic facsimiles of Class II or Class III gaming, the Tribe shall be authorized to conduct such activity prior to completion of the subsequent negotiations as provided in this Compact, if such activity is conducted in accordance with all the limitations, regulations and requirements of the State.

(e) Process and Negotiation Standards

The notices to amend or renegotiate shall include the activities or circumstances to be negotiated together with a statement of the basis supporting the request. If the request meets the requirements of this subsection proviso, the parties shall confer and the required negotiations shall commence within thirty (30) days of the request. All matters involving negotiations or other amendatory processes under this Section shall be otherwise be governed, controlled and conducted in conformity with the provisions and requirements of 25 USC §2710(d), except in subsections where a different resolution is specifically provided in the event of an unsettled dispute or where agreement is not reached by the parties.



## **XVI. NOTICES**

All notices required or authorized to be served shall be in writing and shall be sent by first class or priority mail or be delivered by other expedited service to the following addresses:

Tribal Chairman  
Jamestown S'Klallam Tribe  
1033 Old Blyn Highway  
Sequim, Washington 98382

Governor  
State of Washington  
State Capitol  
Olympia, Washington 98504

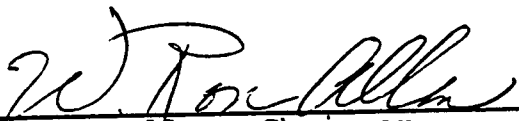
Director  
Washington State Gambling Commission  
P.O. Box 42400  
Olympia, Washington 98504-2400

**XVII. SEVERABILITY**

In the event that any Section or provision of this Compact is held invalid, or its application to any particular activity held invalid, it is the intent of the parties that the remaining Sections of the Compact, and the remaining applications of such Section or provision shall continue in full force and effect.

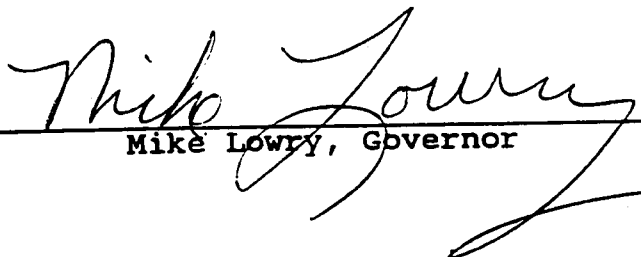
IN WITNESS WHEREOF, the Jamestown S'Klallam Tribe and the State of Washington have executed this Compact.

**JAMESTOWN S'KLALLAM TRIBE**

BY:   
W. Ron Allen, Chairman  
Jamestown S'Klallam Tribal Council

02-19-93  
Date

**STATE OF WASHINGTON**

BY:   
Mike Lowry, Governor

02-19-93  
Date